

AMENDED IN ASSEMBLY JULY 2, 2012

AMENDED IN ASSEMBLY JUNE 25, 2012

SENATE BILL

No. 1039

**Introduced by ~~Committee on Budget and Fiscal Review~~ Senator
Steinberg**

February 6, 2012

~~An act to amend Section 13115 of the Elections Code, relating to elections, and making an appropriation therefor, to take effect immediately, bill related to the budget. An act to amend Sections 100, 19404, 23050, and 23075 of the Business and Professions Code, to amend Section 300 of the Financial Code, to amend Sections 8870.1, 8870.2, 11535, 11546.1, 11550, 12800, 12804.5, 12855, 12856, 12901, 12944, and 13978.6 of, and to add Section 12804 to, the Government Code, and to amend Sections 50400, 50901, and 50913 of, and to add Section 50407.5 to, the Health and Safety Code, relating to state government.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 1039, as amended, ~~Committee on Budget and Fiscal Review~~ Steinberg. ~~Elections: ballot order for statewide measures. State government: Business, Consumer Services, and Housing Agency.~~

Under existing law, the executive branch of state government includes the State and Consumer Services Agency. Under existing law, the State and Consumer Services Agency is comprised of the Department of General Services, the Department of Consumer Affairs, the Franchise Tax Board, the Public Employees' Retirement System, the State Teachers' Retirement System, the Department of Fair Employment and Housing, the Fair Employment and Housing Commission, the California Science Center, the California Victim Compensation and Government

Claims Board, the California African-American Museum, the California Building Standards Commission, the Alfred E. Alquist Seismic Safety Commission, and the Office of Privacy Protection.

This bill would eliminate the State and Consumer Services Agency and instead establish in state government the Business, Consumer Services, and Housing Agency, comprised of the Department of Consumer Affairs, the Department of Housing and Community Development, the Department of Fair Employment and Housing, the Department of Business Oversight, the Department of Alcoholic Beverage Control, the Alcoholic Beverage Control Appeals Board, the California Horse Racing Board, and the Alfred E. Alquist Seismic Safety Commission. The bill would make conforming changes necessary to effectuate certain provisions of the Governor's Reorganization Plan No. 2 of 2012.

The bill would require, notwithstanding these changes, the Department of Housing and Community Development, the Department of Transportation, and the California Transportation Commission to coordinate state housing and transportation policies and programs.

This bill would provide that certain provisions of this bill shall prevail over specified provisions of the Governor's Reorganization Plan No. 2 of 2012, regardless of the dates on which this bill and the plan take effect.

This bill would provide that its provisions shall become operative only if the Governor's Reorganization Plan No. 2 of 2012 becomes effective.

This bill would provide that its provisions shall become operative on July 1, 2013.

~~Existing law specifies the order in which statewide ballot measures are required to appear on the ballot.~~

~~This bill would require that bond measures and constitutional amendments, including those proposed by initiative, appear on the ballot before all other legislative, initiative, and referendum measures.~~

~~This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.~~

Vote: majority. Appropriation: ~~yes~~-no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 100 of the Business and Professions Code*
2 *is amended to read:*

3 100. There is in the state government, in the ~~State and Business,~~
4 Consumer Services, and Housing Agency, a Department of
5 Consumer Affairs.

6 *SEC. 2. Section 19404 of the Business and Professions Code*
7 *is amended to read:*

8 19404. “Board” means the California Horse Racing Board
9 *within the Business, Consumer Services, and Housing Agency.*

10 *SEC. 3. Section 23050 of the Business and Professions Code*
11 *is amended to read:*

12 23050. There is in the ~~State Government~~ state government, in
13 the Business, Consumer Services, and Housing Agency, a
14 Department of Alcoholic Beverage Control. The department shall
15 be administered through a civil executive officer who shall be
16 known as the Director of Alcoholic Beverage Control. The director
17 shall be appointed and shall serve as provided in Section 22 of
18 Article XX of the Constitution and shall receive an annual salary
19 as provided for by Chapter 6 of Part 1 of Division 3 of Title 2 of
20 the Government Code.

21 *SEC. 4. Section 23075 of the Business and Professions Code*
22 *is amended to read:*

23 23075. There is in the state government, in the Business,
24 Consumer Services, and Housing Agency, an Alcoholic Beverage
25 Control Appeals Board the members of which shall be appointed
26 and shall serve as provided in Section 22 of Article XX of the
27 Constitution, and shall receive an annual salary as provided for by
28 Chapter 6 (commencing with Section 11550) of Part 1 of Division
29 3 of Title 2 of the Government Code.

30 *SEC. 5. Section 300 of the Financial Code is amended to read:*

31 300. (a) In this section:

32 (1) “Business and industrial development corporation” means
33 a corporation licensed under Division 15 (commencing with
34 Section 31000).

35 (2) “Payment instrument” has the same meaning as set forth in
36 Section 33059.

37 (3) “Traveler’s check” has the same meaning as set forth in
38 Section 1803.

(b) There is in the state government, in the Business, ~~Transportation Consumer Services~~, and Housing Agency, a ~~Department of Financial Institutions~~ *Business Oversight*, which has charge of the execution of, among other laws, the laws of this state relating to any of the following: (1) banks or trust companies or the banking or trust business; (2) savings associations or the savings association business; (3) credit unions or the credit union business; (4) persons who engage in the business of receiving money for transmission to foreign nations or such business; (5) issuers of traveler's checks or the traveler's check business; (6) issuers of payment instruments or the payment instrument business; (7) business and industrial development corporations or the business and industrial development corporation business, or (8) insurance premium finance agencies or the insurance premium finance business.

SEC. 6. Section 8870.1 of the Government Code is amended to read:

8870.1. (a) (1) There is created in the state government the Alfred E. Alquist Seismic Safety Commission as an independent unit within the ~~State and~~ *Business, Consumer Services, and Housing Agency*.

(2) Any reference in statute or regulation to the Seismic Safety Commission shall be deemed to refer to the Alfred E. Alquist Seismic Safety Commission.

(b) The commission shall report annually to the Governor and to the Legislature on its findings, progress, and recommendations relating to earthquake hazard reduction, and any other seismic safety issues, as requested by the Governor or the Legislature.

SEC. 7. Section 8870.2 of the Government Code is amended to read:

8870.2. (a) The Alfred E. Alquist Seismic Safety Commission shall consist of 15 members appointed by the Governor and confirmed by the Senate, one member representing the ~~California Office of Emergency Management Agency Services~~, one member representing the Division of the State Architect in the Department of General Services, one member representing the California ~~State~~ Building Standards Commission, one member appointed by the Senate ~~Committee on Rules Committee~~, and one member appointed by the Speaker of the Assembly. The commission shall elect annually from its membership its own chairperson and vice

1 chairperson and may replace them with other commissioners by
2 majority vote. Commission members shall be residents of
3 California.

4 (b) A quorum shall consist of 11 members if there are no
5 vacancies, or else a majority of the members of the commission
6 at the time.

7 (c) The Legislature declares that the individuals appointed to
8 the commission are intended to represent the professions of
9 architecture, planning, fire protection, public utilities, structural
10 engineering, geotechnical engineering, geology, seismology, local
11 government, insurance, social services, emergency services, and
12 the Legislature and that such representation serves the public
13 interest. Accordingly, the Legislature finds that for purposes of
14 persons who hold this office the specified professions are
15 tantamount to and constitute the public generally within the
16 meaning of Section 87103.

17 (d) The commission exists as a separate unit within the ~~State~~
18 ~~and Business~~, Consumer Services, *and Housing* Agency, and has
19 the functions of prescribing policy, holding meetings and setting
20 dates of the meetings, conducting investigations, and holding
21 hearings insofar as those powers are given by statute to the
22 commission.

23 (e) The decisions and actions of the commission, with respect
24 to exercising its authority and carrying out its duties under this
25 chapter, or any other applicable law, are not subject to review by
26 the Secretary of ~~the State and Business~~, Consumer Services
27 ~~Agency, and Housing~~, but are final within the limits provided by
28 this chapter.

29 (f) The Legislature further declares that the highest level of
30 service that the individuals appointed to the commission can
31 provide to the residents of California is to offer professional,
32 unbiased, scientifically based advice to the Governor and the
33 Legislature. To maintain this quality of service, it is imperative
34 that the commission retain its functional autonomy and access to
35 the Governor and the Legislature. As such, the commission shall
36 retain its existing authority to issue reports, publications, and
37 literature, as well as to sponsor legislation, and to take official
38 positions on proposed state and federal legislation.

39 *SEC. 8. Section 11535 of the Government Code is amended to*
40 *read:*

1 11535. (a) There is, in the ~~Office~~ *Department* of Technology
2 ~~Services~~, the Technology Services Board.

3 (b) The board shall consist of 13 members, as follows:

4 (1) The ~~Secretary~~ *Director* of ~~California~~ Technology, who shall
5 serve as the chair of the board.

6 (2) The Director of Finance, who shall serve as vice chair of
7 the board.

8 (3) The Controller.

9 (4) The Secretary of Food and Agriculture, the Secretary of
10 ~~Business~~, Transportation ~~and Housing~~, the Secretary of the
11 Department of Corrections and Rehabilitation, the Secretary for
12 Environmental Protection, the Secretary of California Health and
13 Human Services, the Secretary of Labor and Workforce
14 Development, the Secretary of the Natural Resources Agency, the
15 Secretary of ~~State and Business~~, Consumer Services, *and Housing*,
16 and the Secretary of Veterans Affairs.

17 (5) The ~~Secretary~~ *Director* of ~~California~~ Emergency
18 ~~Management Services~~.

19 *SEC. 9. Section 11546.1 of the Government Code is amended*
20 *to read:*

21 11546.1. The ~~California~~ *Department of Technology Agency*
22 shall improve the governance and implementation of information
23 technology by standardizing reporting relationships, roles, and
24 responsibilities for setting information technology priorities.

25 (a) (1) Each state agency shall have a chief information officer
26 who is appointed by the head of the state agency, or by the head's
27 designee, subject to the approval of the ~~California~~ *Department of*
28 *Technology Agency*.

29 (2) A chief information officer appointed under this subdivision
30 shall do all of the following:

31 (A) Oversee the information technology portfolio and
32 information technology services within his or her state agency
33 through the operational oversight of information technology
34 budgets of departments, boards, bureaus, and offices within the
35 state agency.

36 (B) Develop the enterprise architecture for his or her state
37 agency, subject to the review and approval of the ~~California~~
38 *Department of Technology Agency*, to rationalize, standardize,
39 and consolidate information technology applications, assets,

1 infrastructure, data, and procedures for all departments, boards,
2 bureaus, and offices within the state agency.

3 (C) Ensure that all departments, boards, bureaus, and offices
4 within the state agency are in compliance with the state information
5 technology policy.

6 (b) (1) Each state entity shall have a chief information officer
7 who is appointed by the head of the state entity.

8 (2) A chief information officer appointed under this subdivision
9 shall do all of the following:

10 (A) Supervise all information technology and
11 telecommunications activities within his or her state entity,
12 including, but not limited to, information technology, information
13 security, and telecommunications personnel, contractors, systems,
14 assets, projects, purchases, and contracts.

15 (B) Ensure the entity conforms with state information technology
16 and telecommunications policy and enterprise architecture.

17 (c) Each state agency shall have an information security officer
18 appointed by the head of the state agency, or the head's designee,
19 subject to the approval by the ~~California Department of Technology~~
20 ~~Agency~~. The state agency's information security officer appointed
21 under this subdivision shall report to the state agency's chief
22 information officer.

23 (d) Each state entity shall have an information security officer
24 who is appointed by the head of the state entity. An information
25 security officer shall report to the chief information officer of his
26 or her state entity. The ~~California Department of Technology~~
27 ~~Agency~~ shall develop specific qualification criteria for an
28 information security officer. If a state entity cannot fund a position
29 for an information security officer, the entity's chief information
30 officer shall perform the duties assigned to the information security
31 officer. The chief information officer shall coordinate with the
32 ~~California Department of Technology Agency~~ for any necessary
33 support.

34 (e) (1) For purposes of this section, "state agency" means the
35 ~~Business, Transportation and Housing Agency, Department of~~
36 ~~Corrections and Rehabilitation, Department of Veterans Affairs,~~
37 ~~State and Business, Consumer Services, and Housing Agency,~~
38 ~~Natural Resources Agency, California Health and Human Services~~
39 ~~Agency, California Environmental Protection Agency, Labor and~~

1 Workforce Development Agency, and Department of Food and
2 Agriculture.

3 (2) For purposes of this section, “state entity” means an entity
4 within the executive branch that is under the direct authority of
5 the Governor, including, but not limited to, all departments, boards,
6 bureaus, commissions, councils, and offices that are not defined
7 as a “state agency” pursuant to paragraph (1).

8 (f) A state entity that is not defined under subdivision (e) may
9 voluntarily comply with any of the requirements of Sections
10 11546.2 and 11546.3 and may request assistance from the
11 ~~California Department of Technology Agency~~ to do so.

12 *SEC. 10. Section 11550 of the Government Code is amended*
13 *to read:*

14 11550. (a) Effective January 1, 1988, an annual salary of
15 ninety-one thousand fifty-four dollars (\$91,054) shall be paid to
16 each of the following:

17 (1) Director of Finance.

18 (2) Secretary of ~~Business, Transportation and Housing~~.

19 (3) Secretary of the *Natural Resources Agency*.

20 (4) Secretary of California Health and Human Services.

21 (5) Secretary of ~~State and Business, Consumer Services, and~~
22 ~~Housing~~.

23 (6) Commissioner of the California Highway Patrol.

24 (7) Secretary of the Department of Corrections and
25 Rehabilitation.

26 (8) Secretary of Food and Agriculture.

27 (9) Secretary of Veterans Affairs.

28 (10) Secretary of Labor and Workforce Development.

29 ~~(11) State Chief Information Officer.~~

30 ~~(12)~~

31 ~~(11)~~ Secretary for Environmental Protection.

32 ~~(13)~~

33 ~~(12) Secretary of California Emergency Management~~
34 ~~Government Operations~~.

35 (b) The annual compensation provided by this section shall be
36 increased in any fiscal year in which a general salary increase is
37 provided for state employees. The amount of the increase provided
38 by this section shall be comparable to, but shall not exceed, the
39 percentage of the general salary increases provided for state
40 employees during that fiscal year.

1 *SEC. 11. Section 12800 of the Government Code is amended*
2 *to read:*

3 12800. (a) There are in the state government the following
4 agencies: ~~State and Business~~, Consumer Services, *and Housing*;
5 ~~Business, Transportation and Housing; California Emergency~~
6 ~~Management~~; California Environmental Protection; California
7 Health and Human Services; Labor and Workforce Development;
8 Natural Resources; *Government Operations*; and ~~Youth and Adult~~
9 ~~Correctional Corrections and Rehabilitation~~.

10 Whenever the term “Agriculture and Services Agency” appears
11 in any law, it means the “State and Consumer Services Agency,”
12 and whenever the term “Secretary of Agriculture and Services
13 Agency” appears in any law, it means the “Secretary of State and
14 Consumer Services.”

15 Whenever the term “Business and Transportation Agency”
16 appears in any law, it means the “Business, Transportation and
17 Housing Agency,” and whenever the term “Secretary of the
18 Business and Transportation Agency” appears in any law, it means
19 the “Secretary of Business, Transportation and Housing.”

20 Whenever the term “Health and Welfare Agency” appears in
21 any law, it means the “California Health and Human Services
22 Agency,” and whenever the term “Secretary of the Health and
23 Welfare Agency” appears in any law, it means the “Secretary of
24 California Health and Human Services.”

25 Whenever the term “Resources Agency” appears in any law, it
26 means the “Natural Resources Agency,” and whenever the term
27 “Secretary of the Resources Agency” appears in any law, it means
28 the “Secretary of the Natural Resources Agency.”

29 (b) *The secretary of an agency shall be generally responsible*
30 *for the sound fiscal management of each department, office, or*
31 *other unit within the agency. The secretary shall review and*
32 *approve the proposed budget of each department, office, or other*
33 *unit. The secretary shall hold the head of each department, office,*
34 *or other unit responsible for management control over the*
35 *administrative, fiscal, and program performance of his or her*
36 *department, office, or other unit. The secretary shall review the*
37 *operations and evaluate the performance at appropriate intervals*
38 *of each department, office, or other unit, and shall seek continually*
39 *to improve the organization structure, the operating policies, and*

1 *the management information systems of each department, office,*
2 *or other unit.*

3 *SEC. 12. Section 12804 is added to the Government Code, to*
4 *read:*

5 *12804. (a) There is in the state government the Business,*
6 *Consumer Services, and Housing Agency.*

7 *(b) The Business, Consumer Services, and Housing Agency shall*
8 *consist of the following: the Department of Consumer Affairs, the*
9 *Department of Housing and Community Development, the*
10 *Department of Fair Employment and Housing, the Department of*
11 *Business Oversight, the Department of Alcoholic Beverage Control,*
12 *the Alcoholic Beverage Control Appeals Board, the California*
13 *Horse Racing Board, and the Alfred E. Alquist Seismic Safety*
14 *Commission.*

15 *SEC. 13. Section 12804.5 of the Government Code is amended*
16 *to read:*

17 *12804.5. The Secretary of ~~the State and~~ Business, Consumer*
18 *Services ~~Agency,~~ and Housing is hereby authorized to develop*
19 *programs for technical and fiscal assistance to facilitate nonprofit,*
20 *self-help community vegetable gardens and related supporting*
21 *activities.*

22 *SEC. 14. Section 12855 of the Government Code is amended*
23 *to read:*

24 *12855. For the purpose of this chapter, “agency” means the*
25 *~~State and~~ Business, Consumer Services, and Housing Agency, the*
26 *California Environmental Protection Agency, the California Health*
27 *and ~~Welfare~~ Human Services Agency, ~~or~~ the Natural Resources*
28 *Agency, the Labor and Workforce Development Agency, the*
29 *Government Operations Agency, the Transportation Agency, or*
30 *~~the Youth and Adult Correctional Agency~~ the Corrections and*
31 *Rehabilitation Agency, and “secretary” means the secretary of any*
32 *such agency. ~~The general powers of the Business, Transportation~~*
33 *~~and Housing Agency and its secretary are those specified in Part~~*
34 *~~4.5 (commencing with Section 13975).~~*

35 *SEC. 15. Section 12856 of the Government Code is amended*
36 *to read:*

37 *12856. In addition to any other provision of law, the Secretary*
38 *of ~~the State and~~ Business, Consumer Services ~~Agency,~~ and Housing*
39 *may appoint an assistant, who is exempt from the civil service*
40 *laws. The secretary shall prescribe the duties of ~~such~~ the appointed*

1 assistant and shall fix the salary of such assistant subject to the
2 approval of the Director of Finance. ~~Such~~ *The appointed* assistant
3 shall serve at the pleasure of the secretary.

4 *SEC. 16. Section 12901 of the Government Code is amended*
5 *to read:*

6 12901. There is in the state government, in the ~~State and~~
7 *Business, Consumer Services, and Housing* Agency, the
8 Department of Fair Employment and Housing. The department is
9 under the direction of an executive officer known as the Director
10 of Fair Employment and Housing, who is appointed by the
11 Governor, subject to confirmation by the Senate, and who holds
12 office at the pleasure of the Governor. The annual salary of the
13 director is provided for by Chapter 6 (commencing with Section
14 11550) of Part 1 of Division 3 of Title 2.

15 *SEC. 17. Section 12944 of the Government Code is amended*
16 *to read:*

17 12944. (a) It shall be unlawful for a licensing board to require
18 any examination or establish any other qualification for licensing
19 that has an adverse impact on any class by virtue of its race, creed,
20 color, national origin or ancestry, sex, gender, gender identity,
21 gender expression, age, medical condition, genetic information,
22 physical disability, mental disability, or sexual orientation, unless
23 the practice can be demonstrated to be job related.

24 Where the commission, after hearing, determines that an
25 examination is unlawful under this subdivision, the licensing board
26 may continue to use and rely on the examination until such time
27 as judicial review by the superior court of the determination is
28 exhausted.

29 If an examination or other qualification for licensing is
30 determined to be unlawful under this section, that determination
31 shall not void, limit, repeal, or otherwise affect any right, privilege,
32 status, or responsibility previously conferred upon any person by
33 the examination or by a license issued in reliance on the
34 examination or qualification.

35 (b) It shall be unlawful for a licensing board to fail or refuse to
36 make reasonable accommodation to an individual's mental or
37 physical disability or medical condition.

38 (c) It shall be unlawful for any licensing board, unless
39 specifically acting in accordance with federal equal employment
40 opportunity guidelines or regulations approved by the commission,

1 to print or circulate or cause to be printed or circulated any
2 publication, or to make any non-job-related inquiry, either verbal
3 or through use of an application form, which expresses, directly
4 or indirectly, any limitation, specification, or discrimination as to
5 race, religious creed, color, national origin, ancestry, physical
6 disability, mental disability, medical condition, genetic information,
7 sex, gender, gender identity, gender expression, age, or sexual
8 orientation or any intent to make any such limitation, specification,
9 or discrimination. Nothing in this subdivision shall prohibit any
10 licensing board from making, in connection with prospective
11 licensure or certification, an inquiry as to, or a request for
12 information regarding, the physical fitness of applicants if that
13 inquiry or request for information is directly related and pertinent
14 to the license or the licensed position the applicant is applying for.
15 Nothing in this subdivision shall prohibit any licensing board, in
16 connection with prospective examinations, licensure, or
17 certification, from inviting individuals with physical or mental
18 disabilities to request reasonable accommodations or from making
19 inquiries related to reasonable accommodations.

20 (d) It is unlawful for a licensing board to discriminate against
21 any person because the person has filed a complaint, testified, or
22 assisted in any proceeding under this part.

23 (e) It is unlawful for any licensing board to fail to keep records
24 of applications for licensing or certification for a period of two
25 years following the date of receipt of the applications.

26 (f) As used in this section, “licensing board” means any state
27 board, agency, or authority in the ~~State and~~ *Business, Consumer*
28 *Services, and Housing* Agency that has the authority to grant
29 licenses or certificates which are prerequisites to employment
30 eligibility or professional status.

31 *SEC. 18. Section 13978.6 of the Government Code is amended*
32 *to read:*

33 ~~13978.6. (a) The Secretary of the Business, Transportation~~
34 ~~and Housing Agency shall be generally responsible for the sound~~
35 ~~fiscal management of each department, office, or other unit within~~
36 ~~the agency. The secretary shall review and approve the proposed~~
37 ~~budget of each department, office, or other unit. The secretary~~
38 ~~shall hold the head of each department, office, or other unit~~
39 ~~responsible for management control over the administrative, fiscal,~~
40 ~~and program performance of his or her department, office, or other~~

1 unit. The secretary shall review the operations and evaluate the
2 performance at appropriate intervals of each department, office,
3 or other unit, and shall seek continually to improve the organization
4 structure, the operating policies, and the management information
5 systems of each department, office, or other unit.

6 (b)

7 13978.6. (a) There is in the Business, ~~Transportation, and~~
8 ~~Housing Consumer Services, and Housing~~ Agency a Department
9 of *Business Oversight containing the Division of Corporations*,
10 which has the responsibility for administering various laws. In
11 order to effectively support the ~~Department Division~~ of
12 Corporations in the administration of these laws, there is hereby
13 established the State Corporations Fund. All expenses and salaries
14 of the ~~Department Division~~ of Corporations shall be paid out of
15 the State Corporations Fund. Therefore, notwithstanding any
16 provision of any law administered by the ~~Department Division~~ of
17 Corporations declaring that fees, reimbursements, assessments, or
18 other money or amounts charged and collected by the ~~Department~~
19 *Division* of Corporations under these laws are to be delivered or
20 transmitted to the Treasurer and deposited to the credit of the
21 General Fund, ~~on and after July 1, 1992~~, all fees, reimbursements,
22 assessments, and other money or amounts charged and collected
23 under these laws ~~and attributable to the 1992-93 fiscal year and~~
24 ~~subsequent fiscal years~~ shall be delivered or transmitted to the
25 Treasurer and deposited to the credit of the State Corporations
26 Fund.

27 (e)

28 (b) Funds appropriated from the State Corporations Fund and
29 made available for expenditure for any law or program of the
30 ~~Department Division~~ of Corporations may come from the
31 following:

32 (1) Fees and any other amounts charged and collected pursuant
33 to Section 25608 of the Corporations Code, except for fees and
34 other amounts charged and collected pursuant to subdivisions (o)
35 to (r), inclusive, of Section 25608 of the Corporations Code.

36 (2) Fees collected pursuant to subdivisions (a), (b), (c), and (d)
37 of Section 25608.1 of the Corporations Code.

38 *SEC. 19. Section 50400 of the Health and Safety Code is*
39 *amended to read:*

1 50400. The Department of Housing and Community
2 Development is hereby continued in existence in the Business,
3 ~~Transportation~~, Consumer Services, and Housing Agency.

4 SEC. 20. Section 50407.5 is added to the Health and Safety
5 Code, to read:

6 50407.5. Notwithstanding the transfer of the department from
7 the Business, Transportation, and Housing Agency to the Business,
8 Consumer Services, and Housing Agency, the department, the
9 Department of Transportation, and the California Transportation
10 Commission shall coordinate state housing and transportation
11 policies and programs to help achieve state and regional planning
12 priorities and to maximize cobenefits of infrastructure investments.

13 SEC. 21. Section 50901 of the Health and Safety Code is
14 amended to read:

15 50901. The agency shall be administered by a board of directors
16 consisting of 11 voting members, including a chairperson selected
17 by the Governor from among his or her appointees. The ~~State~~
18 ~~Treasurer, the Secretary of the Business, Transportation and~~
19 ~~Housing Agency~~ Consumer Services, and Housing, and the
20 Director of Housing and Community Development, or their
21 designees, shall be members, in addition to six members appointed
22 by the Governor, one member appointed by the Speaker of the
23 Assembly, and one member appointed by the Senate ~~Rules~~
24 ~~Committee on Rules~~. The Director of Finance, the Director of the
25 ~~State Office of Planning and Research~~, and the executive director
26 of the agency shall serve as nonvoting ex officio members of the
27 board.

28 SEC. 22. Section 50913 of the Health and Safety Code is
29 amended to read:

30 50913. For its activities under this division, the executive
31 director shall prepare a preliminary budget on or before December
32 1 of each year for the ensuing fiscal year to be reviewed by the
33 Secretary of the ~~Business and Transportation Agency~~, Consumer
34 Services, and Housing, the Director of Finance, and the Joint
35 Legislative Budget Committee.

36 SEC. 23. (a) Notwithstanding Section 12080.8 of the
37 Government Code or any other law, Sections 1 to 19, inclusive,
38 and Sections 21 and 22 of this act shall prevail over Sections 1,
39 23, 32, 33, 45, 158, 159, 178, 188, 196, 199, 202, 203, 207, 208,
40 209, 210, 215, 285, 287, and 288 of the Governor's Reorganization

1 *Plan No. 2 of 2012, regardless of the dates on which this act and*
2 *that plan take effect.*

3 *(b) This act, including subdivision (a), shall become operative*
4 *only if the Governor's Reorganization Plan No. 2 of 2012 becomes*
5 *effective.*

6 *(c) Except as otherwise provided in subdivision (b), Sections 1*
7 *to 22, inclusive, of this act shall become operative on July 1, 2013.*

8 ~~SECTION 1. (a) The Legislature finds and declares that bond~~
9 ~~measures and constitutional amendments should have priority on~~
10 ~~the ballot because of the profound and lasting impact these~~
11 ~~measures can have on our state. Bond measures create debts against~~
12 ~~the state treasury that obligate the resources of future Californians.~~
13 ~~Constitutional amendments make changes to our state's~~
14 ~~fundamental principles and protections. In recognition of their~~
15 ~~significance, bond measures and constitutional amendments should~~
16 ~~be placed at the top of the ballot to ensure that the voters can~~
17 ~~carefully weigh the consequences of these important measures.~~

18 ~~(b) The Legislature further finds and declares that the Secretary~~
19 ~~of State has received funding in the Budget Act of 2012, and an~~
20 ~~appropriation contained herein, to provide direction to counties~~
21 ~~regarding the preparation of ballots, and to prepare the ballot~~
22 ~~pamphlet, in a manner that is consistent with the changes to the~~
23 ~~Elections Code provided by this act.~~

24 ~~SEC. 2. Section 13115 of the Elections Code is amended to~~
25 ~~read:~~

26 ~~13115. The order in which all state measures that are to be~~
27 ~~submitted to the voters shall appear upon the ballot is as follows:~~

28 ~~(a) Bond measures, including those proposed by initiative, in~~
29 ~~the order in which they qualify.~~

30 ~~(b) Constitutional amendments, including those proposed by~~
31 ~~initiative, in the order in which they qualify.~~

32 ~~(c) Legislative measures, other than those described in~~
33 ~~subdivision (a) or (b), in the order in which they are approved by~~
34 ~~the Legislature.~~

35 ~~(d) Initiative measures, other than those described in subdivision~~
36 ~~(a) or (b), in the order in which they qualify.~~

37 ~~(e) Referendum measures, in the order in which they qualify.~~

38 ~~SEC. 3. The sum of one thousand dollars (\$1,000) is hereby~~
39 ~~appropriated from the General Fund to the Secretary of State to~~
40 ~~implement the requirements of this act.~~

1 ~~SEC. 4.—This act is a bill providing for appropriations related~~
2 ~~to the Budget Bill within the meaning of subdivision (c) of Section~~
3 ~~12 of Article IV of the California Constitution, has been identified~~
4 ~~as related to the budget in the Budget Bill, and shall take effect~~
5 ~~immediately.~~

O